LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6679 NOTE PREPARED: Jan 3, 2007

BILL NUMBER: HB 1212 BILL AMENDED:

SUBJECT: Emergency Telephone System Fee.

FIRST AUTHOR: Rep. Van Haaften BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a county and a second class city in the county may enter into an interlocal cooperation agreement or a joint agreement for the operation of an enhanced emergency telephone system in the county. The bill provides that an agreement may provide that a public safety answering point (PSAP) operated by the second class city will serve one or more areas within the county but outside the second class city. The bill provides that an existing agreement between a county and a second class city is valid and enforceable until it is terminated by the parties or modified by or replaced with an agreement authorized by this bill.

The bill allows a second class city that operates a PSAP that serves areas outside the city to impose a countywide fee to fully fund the operation of the PSAP in the county. It provides that a countywide fee imposed by a second class city (1) may not exceed 10% of the average monthly telephone access line charge in the county; and (2) may be imposed in addition to, or in place of, a countywide fee imposed by the county. The bill provides that a countywide fee imposed by a second class city may be imposed on telephone exchange access facilities that are located outside the county in which the city is located and served by the city's PSAP. It allows a second class city to adopt an ordinance to impose a countywide fee at any time before or after the effective date of this bill.

The bill sets forth the effective dates of ordinances adopted before, on, and after the effective date of this bill.

Effective Date: Upon passage; July 1, 2007.

Explanation of State Expenditures:

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Explanation of State Revenues:

Explanation of Local Expenditures: The bill allows a second class city to adopt an ordinance to impose a countywide fee. Cities should be able to adopt ordinances given existing resources.

<u>Explanation of Local Revenues:</u> The bill allows a second class city that operates a PSAP that serves areas outside the city to impose a countywide fee to fully fund the operation of the PSAP in the county. The fiscal impact will depend on local action. There are 16 counties (one with a consolidated city and 15 with at least one second class city) that could be affected by this bill.

State Agencies Affected:

<u>Local Agencies Affected:</u> Allen, Delaware, Elkhart, Floyd, Grant, Howard, Lake, LaPorte, Madison, Marion, Monroe, St. Joseph, Tippecanoe, Vanderburgh, Vigo, and Wayne Counties.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.

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